



**TSHECHU & ASSOCIATES**  
**EMPANELLED with RAA**  
**F-03, Second Floor, BNB ATM Building,**  
**Jungshina-Taba Expressway, Thimphu**

T&A/Empanelment/2024/200

27 October 2024

The Chairman,  
Audit Committee,  
Royal Audit Authority,  
Thimphu, Bhutan.

Subject: Renewal of Empanellment

Dear Sir,

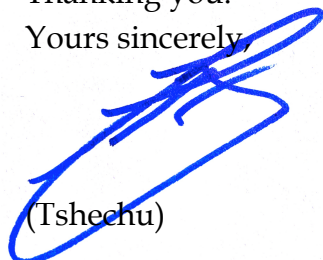
With Reference to your Announcement No. RAA/AC-01/2024-25/2977 Dated: 27 September 2024, I would like to submit the application for renewal of empanelment of my firm, Tshechu & Associates, with RAA for audit of incorporated companies of Bhutan.

The following details are enclosed herewith for your reference:

1. Duly filled in Information Fact Sheet as Schedule – I;
2. Profile of the firm as Annexure II;
3. Academic and professional qualification of Partners and Staff including their industry knowledge and experience in the Profile of the firm;
4. Balance Sheet of firm for last two years as Annexure II; and
5. Business Registration Certificate as Annexure III.

I shall always remain thankful for the continued support from the Royal Audit Authority.

Thanking you.  
Yours sincerely,



(Tshechu)

## Schedule I: Information Fact Sheet

(For new empanelment)

Name of the Firm:	Tshechu & Associates		
Address:	F-03, Second Floor, Old BNB ATM Building, Jungshina, Taba Lam, Thimphu Bhutan		
Year of Establishment:	2018		
Telephone No: 77932811	Email Address: tshechu.associates@gmail.com		
Fax No:	Contact person <i>(with mobile No. only if you wish)</i> : Damcho Tshering 17940423		
<b>Empanelment</b> Others:  TPN: TAB 58559  Firm Profile: <i>(Please enclose as per the schedule II)</i>  B/Sheets (2022 and 2023): ✓	<b>Consultancy Works (Please tick)</b> Management: ✓  Tax: ✓  Acts:  IT:  Accounting Manuals: ✓  Other Manuals:  Project Appraisals: ✓  Others: (Specify)  <b>Knowledge &amp; Expertise:</b> (Please tick) <ul style="list-style-type: none"> <li>International Standards on Auditing (ISAs): Yes/No</li> <li>International Financial Reporting Standards: Yes/No</li> </ul>		
<b>Constitution of Firm (Please tick)</b> Partnership:  Proprietorship: ✓ Others:			
<b>General Information</b>			
<i>Staff Strength (Insert numbers)</i>		Size of Firm	Small/ Medium/ large ✓
Partners:	1	Size of Office	Small/ Medium/ Large ✓
Chartered:	1	Affiliation with Int. Firms	Yes/ No ✓
Cost Acct.:			
Non-Acct.:		<b>Competency to conduct</b> (Please tick)	
Others:	3	Financial Audit: ✓	<b>Other information:</b>

*'Every individual must strive to be principled. And individuals in positions of responsibility must even strive harder'*  
*- His Majesty the King Jigme Khesar Namgyel Wangchuck*



Remarks by Chairman (Audit Committee)

Remarks by Hon'ble Auditor General of Bhutan

**Note: Attach separate sheet(s) if necessary.**

*'Every individual must strive to be principled. And individuals in positions of responsibility must even strive harder'*  
*- His Majesty the King Jigme Khesar Namgyel Wangchuck*

# Schedule II

## BUSINESS PROFILE



### 1. General Business Information

- Establishment name : Tshechu & Associates
- Office Address : Tshechu & Associates  
F-03, Second Floor, BNB ATM Building, Jungzhina, Taba Lam, Thimphu
- Contact Person : Tshechu, FCPA (Aust.)
- Contact No. : 77932811
- Email Id : tshechu.associates@gmail.com/thriechu@gmail.com

### 2. Business Details

- Date of Establishment: 9<sup>th</sup> March 2018
- License No. : CRC429
- Tax Payer No. : TAB58559
- RAA Empanelment # : BH-07

### 3. Main Services

Sl. No.	Services
1	Statutory Auditing as per Companies Act of Bhutan 2016, Civil Society Organisation Act 2007 and Religious Organisation Act 2007
2	Internal, External & Special Auditing
3	Bookkeeping
4	Financial Reporting Preparation Services as per Bhutanese Accounting Standards (BASs) & International Financial Reporting Standards (IFRSs)
5	BAS and IFRS Handholding Services
6	Customization of Tally ERP.9 and QuickBooks as per BAS/IFRS and Tax Regulation
7	Tax Filing Services (BIT & CIT)
8	Business Incorporation & Liquidation Services
9	Business Analysis & Valuation
10	Business Plan & Cash Flow Projection
11	Financial Advisory Services

### 4. Form of Business & Staff

Tshechu & Associates (T&A) is a sole proprietorship offering high-quality and dependable accounting and assurance services to its clients. The firm is dedicated to delivering services that strictly adhere to industry standards, ensuring that clients' needs are met with precision

and professionalism. T&A is empanelled with the Royal Audit Authority, the Supreme Audit Institution of Bhutan, to conduct audits for companies, non-governmental organizations, civil society organizations, and religious institutions.

Located in Thimphu, Bhutan, the firm is managed by a Certified Practising Accountant (CPA Australia), who holds a Master of Business in Advanced Professional Accounting from Queensland University of Technology, Brisbane, Australia, and a Postgraduate Certificate in Financial Management from the Royal Institute of Management, Thimphu, Bhutan. The firm employs three full-time staff, each with substantial experience in accounting and auditing, who assist the proprietor in efficiently managing the business. Details of the employees are provided in the table below:

Sl. No.	Name	Qualification/Year of Completed	University	Experience
1	Mr. Damcho Tshering, Audit Supervisor	Bachelor of Political Science - 2017	Sherubtse College	01.01.2019 till date with T&A
2	Mr. Thinley Dorji, Audit Manager	Bachelor of Commerce (Accounting) - 2020	Gaedu College of Business	Intern with RoC till he joined T&A on 01.04.2021
3	Ms. Kezang Pema, Audit Associates	Bachelor of Commerce (Finance) – 2020 & Graduate Diploma in Accounting	Gaedu College of Business & RIM	20.06.2022 till date

The proprietor had worked as Finance Officer for Budgetary Bodies under Ministry of Finance from 2003 to 2009 and as **Technical Staff for Accounting & Auditing Standards Board of Bhutan (AASBB) Secretariat** since AASBB's establishment till 2018. Besides other activities, he was actively involved in the following activities of AASBB:

1. Developing and publishing the Bhutanese Accounting Standards 2012 (BAS), BAS for Small and Medium-sized Entities (BAS for SMEs) 2012, and BAS 2015 book which are verbatim of International Financial Reporting Standards (IFRS);
2. Reviewing the Thromde Accounting Manual and Annual Report of companies;
3. Providing clarification on issues relating to BAS & BAS for SMEs implementation;
4. Organising AASBB, TWC and other related meetings;
5. Organising and conducting training on BAS, BAS for SMEs and ISAs;
6. Carrying out the duties of counterpart party to consultant in drafting AASBB Bill, Institute of Chartered Accountants of Bhutan bill and their rules and regulations;
7. Carrying out simulation exercise of BAS implementation in companies; and
8. Reviewing Financial Statements prepared as per BAS and BAS for SMEs.

The proprietor has also successfully completed the following courses, international and national conferences and training on IFRS/BAS and other related topic:

**A: Course on IFRS**

Sl. No.	Course Topic	Period	Acknowledged
1	IAS 1 Presentation of Financial Statements	2 Hours	Awarded Certificate of Successful Completion by IFRSbox
2	IAS 2 Inventories	1 Hours	
3	IAS 7 Statements of Cash Flows	3 Hours	
4	IAS 12 Income Taxes	2 Hours	
5	IAS 16 Property, Plant and Equipment	2 Hours	
6	IAS 17 Leases	3 Hours	
7	IAS 18 Revenue	2 Hours	
8	IAS 19 Employee Benefits	4 Hours	
9	IAS 24 Related Party Disclosures	1 Hour	
10	IAS 36 Impairment of Assets	3 Hours	
11	IAS 37 Provisions, Contingent Liabilities and Contingent Assets	2 Hours	
12	IAS 38 Intangible Assets	1 Hour	
13	IAS 41 Agriculture	1 Hour	
14	Financial Instruments under IFRS	15 Hours	
15	IFRS 15 Revenue from Contracts with Customers	5 Hours	
16	Group Accounts & Consolidation under IFRS	8 Hours	
17	IFRS 16 Leases	5 Hours	
<b>Total</b>		<b>60 Hours</b>	

**B. International Conferences & Workshop on IFRS and others**

International Conferences & Workshop	Period
IFRS and Leadership Development Workshop organized by Certified Practising Accountant, Australia.	9 to 12 <sup>th</sup> May 2017 in Melbourne, Australia
Thailand IFRS Conference 2016 <i>organised by Federation of Accounting Professions in Thailand (FAP) together with the IFRS Foundation, Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET)</i>	11 <sup>th</sup> March 2016 at Bangkok, Thailand
7 <sup>th</sup> Annual AOSSG Meeting <i>organized by Korean Accounting Standards Board</i>	24 to 27 <sup>th</sup> November 2015 at Seoul, South Korea
Report on Observation and Standards Codes: Accounting & Auditing 2015 Dissemination Workshop <i>organized by World Bank &amp; Institute of Chartered Accountants of Sri Lanka</i>	28 <sup>th</sup> July 2015 at Colombo, Sri Lanka
Reporting for Economic Development Conference – South Asia Edition 2014: The Financial Reporting Supply Chain <i>organized by CAPA with the World Bank and the International Federation of Accountants (IFAC) in association with the Institute of Chartered Accountants of Sri Lanka (CASL).</i>	19-22 <sup>th</sup> May 2014 at Negombo, Sri Lanka

International Financial Reporting Standards on Small and Medium-sized Entities Workshop <i>organized by Institute of Chartered Accountants of Sri Lanka (CASL) and facilitated by IFRS Foundation</i>	19 – 21 August 2013 at Colombo, Sri Lanka
International Conference on Accountancy Profession: Enablers of Growth <i>organized by Institute of Chartered Accountants of India</i>	23 -25 <sup>th</sup> January, 2013 at Mumbai, India
Professional Training Program on IFRS <i>organized by PSI Solution</i>	8 – 16 <sup>th</sup> June 2014 at Bangkok, Thailand

### C. Training & Program Development

Training & Program	Period
Training on IFRS conducted by BDO Sri Lanka at Colombo	06/06/2016 – 17/06/2016
Training Program on BFRS <i>conducted by Institute of Chartered Accountants of Sri Lanka</i>	30/03/2015-03/04/2015
Training Program on IFRS <i>conducted by EY LLP,Kolkata India</i>	14 to 17 <sup>th</sup> October 2014
Training Program on IFRS <i>conducted by IFRS implementation committee of Institute of Chartered Accountants of India</i>	16/11/2012–21/11/2012
Training Program on IFRS <i>conducted by IFRS implementation committee of Institute of Chartered Accountants of India</i>	10/09/2012–15/09/2012
Public Financial Management, Royal Institute of Management, Thimphu Bhutan	20/04/2009 – 25/04/2009
Certificate in Service Excellence, Royal Civil Service Commission and Royal Institute of Management, Bhutan in collaboration with Australian National University.	24/11/2008 – 28/11/2008
Certificate in Customers Service, Royal Civil Service Commission and Royal Institute of Management, Bhutan in collaboration with Humber College, Toronto, Canada.	01/10/2007 – 05/10/2007
Financial Management & Commercial Accounts, Institute of Government Accounts & Finance, Ministry of Finance, Government of India, New Delhi at Gedu, Bhutan	11/06/2007 – 15/06/2007
World Bank Financial Procedures and Budget & Accounts System, Ministry of Agriculture, Thimphu Bhutan.	17/08/2005 – 30/08/2005
Budgeting and Public Expenditure Management, National Institute of Financial Management, Faridabad, India.	06/09/2004 – 24/09/2004
Basic Marketing Course, Royal Institute of Management, Thimphu Bhutan	13/03/2002 – 15/03/2002



**The following are list of Engagements of Tshechu & Associates since its establishment:**

**A: Auditing Public, State Owned and Private Ltd. Companies (IFRS/BAS Financial Statements)**

<b>Sl. No.</b>	<b>Name of Organisation</b>	<b>Nature of Work</b>	<b>Period Covered</b>
1	Office of Vice Chancellor	Statutory Audit	2018
2	Paro College of Education	Statutory Audit	2018
3	College of Natural Resources	Statutory Audit	2018
4	College of Language and Cultural Studies	Statutory Audit	2018
5	Wood Craft Centre Limited	Statutory Audit	2019 & 2020
6	Druk Holding Limited	Stand Alone Statutory Audit	2019 - 2021
7	Druk Holding Limited	Consolidated Statutory Audit	2019 - 2021
8	National Pension & Provident Fund	Statutory Audit	2019 & 2020
9	Bhutan Power Corporation Ltd.	Statutory Audit	2020 - 2022
10	Financial Institutions Training Institute Ltd.	Statutory Audit	2020 - 2022
11	Bhutan for Life Secretariat	Statutory Audit	2020
12	Kholongchhu Hydro Energy Limited	Statutory Audit	2021 & 2022
13	Private Limited Companies	Statutory Audit	2020-2023
14	Druk Hydro Energy Ltd		2022

**B: Auditing NGOs & CSOs (FRR 2016 Financial Statements)**

<b>Sl. No.</b>	<b>Name of Organisation</b>	<b>Nature of Work</b>	<b>Period Covered</b>
1	Bhutan Toilet Organisation	Head Office	2017
2	Royal Society for Protection of Nature	Strengthening Water, Sanitation and Hygiene Project	2017 & 2018
3	Red Cross Society of Bhutan	Swiss Red Cross Project	2018 - 2021
4	Tarayana Foundation		2018
5	College of Natural Resources	ICIMOD Project	2019
6	College of Natural Resources	NORHED Project	2019
7	Clean Bhutan	Secretariat	2018 & 19
8	Royal Textile Academy	Secretariat	2020
9	Chithuen Phendey Association	Secretariat	2018 - 2019
10	Music of Bhutan Research		2019

	Centre		
11	SABAH		2020

**C: Internal Auditing**

Sl. No.	Name of Organisation	Period Covered
1	Druk Ferro Alloy Limited	2019 & 2020
2	Bhutan Building Solution	2018 & 2019
3	Amulet Luxury Travel Bhutan	2018
4	Marvel Luxury Travel Bhutan	2018
5	Kuenphen Nortor Industry Pvt. Ltd	2017-2020
6	Zimdra Building Material Supplies	2017-2020
7	Norbuling Rigter College	2017 - 2020

**For Tshechu & Associates**

Date : 27 October 2024

Place : Thimphu

**Tshechu & Associates2021F**

NPPF Building

Thim Throm

Thimphu**Balance Sheet**

1-Jan-2022 to 31-Dec-2022

<b>L i a b i l i t i e s</b>		as at 31-Dec-2022	<b>A s s e t s</b>		as at 31-Dec-2022
<b>Capital Account</b>		<b>1,179,369.05</b>	<b>Non Current Assets</b>		<b>1,996,111.55</b>
<i>Propretoir's Capital</i>	<i>895,000.00</i>		Furnitures & Fixtures	<i>131,371.16</i>	
<i>Retained Earnings</i>	<i>284,369.05</i>		Intangible Assets	<i>674.77</i>	
			Office Equipment	<i>304,063.84</i>	
<b>Non Current Liabilities</b>			Vehicle	<i>1,560,001.78</i>	
<b>Current Liabilities</b>		<b>424,744.88</b>	<b>Current Assets</b>		<b>208,245.58</b>
Sundry Creditors	<i>346,469.88</i>		Cash-in-Hand	<i>15,758.94</i>	
<i>Provision for BIT</i>	<i>78,275.00</i>		Bank Accounts	<i>28,038.53</i>	
			<i>2% TDS Deposited</i>	<i>164,448.11</i>	
<b>Profit &amp; Loss A/c</b>		<b>600,243.20</b>			
<i>Opening Balance</i>					
<i>Current Period</i>	<i>600,243.20</i>				
<b>T o t a l</b>		<b>2,204,357.13</b>	<b>T o t a l</b>		<b>2,204,357.13</b>

**Tshechu & Associates2021F**

NPPF Building

Thim Throm

Thimphu**Balance Sheet**

1-Jan-2023 to 31-Dec-2023

<b>L i a b i l i t i e s</b>		as at 31-Dec-2023	<b>A s s e t s</b>		as at 31-Dec-2023
<b>Capital Account</b>		<b>2,009,503.08</b>	<b>Non Current Assets</b>		<b>1,742,930.99</b>
<i>Propretoir's Capital</i>	<i>1,202,700.95</i>		Furnitures & Fixtures	<i>99,738.71</i>	
<i>Retained Earnings</i>	<i>806,802.13</i>		Intangible Assets	<i>1.01</i>	
			Office Equipment	<i>219,214.49</i>	
<b>Non Current Liabilities</b>			Vehicle	<i>1,423,976.78</i>	
<b>Current Liabilities</b>		<b>174,652.94</b>	<b>Current Assets</b>		<b>441,225.03</b>
<i>Provision for BIT</i>	<i>174,652.94</i>		Sundry Debtors	<i>214,062.50</i>	
			Cash-in-Hand	<i>9,691.25</i>	
<b>Profit &amp; Loss A/c</b>			Bank Accounts	<i>11,913.50</i>	
<i>Opening Balance</i>	<i>600,243.20</i>		<i>2% TDS Deposited</i>	<i>205,557.78</i>	
<i>Current Period</i>	<i>150,299.45</i>				
<i>Less: Transferred</i>	<i>750,542.65</i>				
<b>T o t a l</b>		<b>2,184,156.02</b>	<b>T o t a l</b>		<b>2,184,156.02</b>





དཔལ་ལྷན་འབྲུག་གཞུང་། བཅོ་བྱ་ཚོང་ལེམ་དང་ལྷ་གཡོག་ལྷན་ཁག།  
Royal Government of Bhutan  
Ministry of Industry, Commerce & Employment

ནང་བཅོཾ་ལས་ཐོ་བཞོད་ལག་ཁྱེར།  
Cottage Industries Registration Certificate

License Number	Issued Date	Validity Date	Last Renewal Date
CRC429	09-03-2018	06-06-2027	25-10-2024



Establishment Name  
Tshechu & Associates

Dzongkhag	Gewog	Village
Thimphu	Thim Throm	Norzin
Name of Area		
Gondzin Lam 23, NPPF Building		

Business Classification:	Scale
Services	Cottage

Activity Details  
Consultancy in Accounting, bookkeeping and auditing activities

BISC Code  
69201

Owner(s) Details:

CID Number	Full Name
11216003250	Tshechu

Terms and Conditions:

1. The award of this license does not constitute in any way an obligation by the licensing authority or any other government agency to provide land/space/finance/manpower or any other exemptions to the holder of this license unless specified otherwise.
2. The licensee acknowledges that the Department/Authority issuing this license shall be exempt from any civil liability arising from any action or omission by the Licensee that breaches any applicable laws, rules, regulations, or conditions of this license. This exemption applies irrespective of whether such breach is intentional, negligent, or accidental.
3. The Licensee acknowledges and agrees that it is solely responsible for ensuring full compliance with all relevant laws, rules, regulations, and the specific conditions of this license. The Licensee further agrees to indemnify and hold the Department/Authority harmless from any claims, damages, penalties, or liabilities arising from the Licensee's actions or omissions.
4. The Licensee agrees to promptly notify the Department/Authority of any breach or potential breach of the terms and conditions of this license. Failure to do so may result in the suspension or revocation of the license and additional legal action as deemed appropriate by the Authority.
5. The licensee understands and agrees that the license issued does not waive or excuse the Licensee from complying with all applicable laws, rules, and regulations governing the licensed activity. The Licensee must adhere to all standards and requirements set forth by the relevant regulatory bodies.
6. The licensee understands and agrees that nothing in this condition shall limit the Department/ Authority's rights to enforce the terms of the license, seek remedial actions, or impose penalties for non-compliance as permitted under the relevant laws, rules, and regulations.
7. The promoter shall ensure that all other required clearances are obtained from the concerned authorities before the commencement of the operations.
8. The promoter shall comply with any other conditions or requirements prescribed by the Department/Authority in the broader national